
IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION**FINANCIAL STATEMENTS****DECEMBER 31, 2013**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date AUG 13 2014



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IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2013

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Iberia Industrial Development Foundation
New Iberia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the Iberia Industrial Development Foundation (a nonprofit organization) which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Iberia Industrial Development Foundation as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2014 on our consideration of the Iberia Industrial Development Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Iberia Industrial Development Foundation's internal control over financial reporting and compliance.

Postlethwaite + Netterville

Lafayette, Louisiana

June 9, 2014

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 98,987	\$ 96,813
Cash and cash equivalents - restricted	1,282	-
Certificates of deposit	26,479	26,479
Accounts receivable	33,691	32,946
Prepaid expenses	3,831	4,290
Total current assets	<u>164,270</u>	<u>160,528</u>
<u>PROPERTY AND EQUIPMENT</u>		
Land	11,000	11,000
Building	71,530	71,530
Building improvements	88,616	82,909
Equipment	63,939	63,374
Other	-	2,354
	<u>235,085</u>	<u>231,167</u>
Less accumulated depreciation	<u>(136,488)</u>	<u>(128,356)</u>
Total property and equipment	<u>98,597</u>	<u>102,811</u>
Total Assets	<u>\$ 262,867</u>	<u>\$ 263,339</u>

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND NET ASSETS

	<u>2013</u>	<u>2012</u>
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 7,502	\$ 2,088
Current maturities of long-term debt	-	3,950
Accrued and other liabilities	8,572	3,606
Deferred revenue	-	1,200
Total Current Liabilities	<u>16,074</u>	<u>10,844</u>
 <u>NET ASSETS</u>		
Temporarily restricted net assets	1,282	-
Unrestricted net assets	<u>245,511</u>	<u>252,495</u>
Total net assets	<u>246,793</u>	<u>252,495</u>
 Total Liabilities and Net Assets	<u><u>\$ 262,867</u></u>	<u><u>\$ 263,339</u></u>

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013		
	Unrestricted	Temporarily Restricted	Total
<u>REVENUES AND OTHER SUPPORT</u>			
Hotel/motel tax revenue	\$ 249,110	\$ -	\$ 249,110
Contributions	27,500	10,000	37,500
Membership Revenue	26,750	-	26,750
Interest Revenue	4	-	4
Rent Revenue	4,500	-	4,500
Grant Revenue	-	15,000	15,000
Fee Revenue	7,500	-	7,500
Miscellaneous Revenues	1,290	-	1,290
<u>NET ASSETS RELEASED FROM RESTRICTIONS</u>			
Satisfaction of program restrictions	23,718	(23,718)	-
Total revenue and other support	340,372	1,282	341,654
<u>EXPENSES</u>			
Program Services -			
Business Development	24,852	-	24,852
Job Development	8,959	-	8,959
Special Projects	15,521	-	15,521
Gulf Oil Spill Recovery Project			
Consulting	1,250	-	1,250
Marketing	12,468	-	12,468
West End Health and Wellness Project			
Advertising	622	-	622
Miscellaneous	32	-	32
Total program services	63,704	-	63,704
Support Services -			
General and administration:			
Salaries, benefits, and taxes	202,640	-	202,640
Advertising	1,880	-	1,880
Automobile	7,800	-	7,800
Depreciation	8,131	-	8,131
Dues and subscriptions	5,717	-	5,717
Insurance -			
General liability	4,249	-	4,249
Workers' compensation	309	-	309
Interest	422	-	422
Office	13,957	-	13,957
Professional Fees	10,300	-	10,300
Repairs and maintenance	11,734	-	11,734
Telephone	8,202	-	8,202
Utilities	7,177	-	7,177
Miscellaneous	1,134	-	1,134
Total support services	283,652	-	283,652
Total expenses	347,356	-	347,356
Change in net assets	(6,984)	1,282	(5,702)
Net assets at beginning of year	252,495	-	252,495
Net assets at end of year	\$ 245,511	1,282	\$ 246,793

The accompanying notes are an integral part of these financial statements.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	2012		
	Unrestricted	Temporarily Restricted	Total
<u>REVENUES AND OTHER SUPPORT</u>			
Hotel/motel tax revenue	\$ 243,613	\$ -	\$ 243,613
Contributions	25,000	-	25,000
Membership Revenue	29,550	-	29,550
Interest Revenue	4	-	4
Rent Revenue	3,950	-	3,950
Grant Revenue	-	170,092	170,092
Miscellaneous Revenues	171	-	171
<u>NET ASSETS RELEASED FROM RESTRICTIONS</u>			
Satisfaction of program restrictions	170,092	(170,092)	-
Total revenue and other support	472,380	-	472,380
<u>EXPENSES</u>			
Program Services -			
Business Development	17,756	-	17,756
Job Development	10,935	-	10,935
Special Projects	21,459	-	21,459
Workforce Development Initiative:			
Consulting	11,672	-	11,672
Advertising	7,550	-	7,550
Seafood Academy			
Consulting	17,900	-	17,900
Marketing	4,927	-	4,927
Productions	58,238	-	58,238
Rentals	9,860	-	9,860
Supplies	43,713	-	43,713
Travel	160	-	160
Miscellaneous	3,302	-	3,302
West End Health and Wellness Project			
Professional services	988	-	988
Community branding project			
Consulting	4,800	-	4,800
Total program services	213,260	-	213,260
Support Services -			
General and administration:			
Salaries, benefits, and taxes	181,918	-	181,918
Advertising	4,602	-	4,602
Automobile	7,800	-	7,800
Depreciation	9,462	-	9,462
Dues and subscriptions	4,879	-	4,879
Insurance -			
General liability	4,249	-	4,249
Workers' compensation	979	-	979
Interest	364	-	364
Office	14,179	-	14,179
Professional Fees	8,340	-	8,340
Repairs and maintenance	7,628	-	7,628
Telephone	8,260	-	8,260
Utilities	6,165	-	6,165
Miscellaneous	1,263	-	1,263
Total support services	260,088	-	260,088
Total expenses	473,348	-	473,348
Change in net assets	(968)	-	(968)
Net assets at beginning of year	253,463	-	253,463
Net assets at end of year	\$ 252,495	\$ -	\$ 252,495

The accompanying notes are an integral part of these financial statements.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ (5,702)	\$ (968)
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation	8,131	9,462
Changes in assets and liabilities -		
(Increase) decrease in assets:		
Accounts receivable	(745)	(31,621)
Grants receivable	-	37,991
Prepaid expenses	459	682
Increase (decrease) in liabilities:		
Accounts payable	5,414	(814)
Accrued and other liabilities	4,966	(1,206)
Deferred revenue	(1,200)	(6,100)
Net cash provided by operating activities	<u>11,323</u>	<u>7,426</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Property and equipment deposit	-	(2,354)
Purchase of property and equipment	(3,917)	(825)
Net cash used in investing activities	<u>(3,917)</u>	<u>(3,179)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Principal payments of long-term debt	(3,950)	(4,883)
Net cash used in financing activities	<u>(3,950)</u>	<u>(4,883)</u>
 Net increase (decrease) in cash and cash equivalents	 3,456	 (636)
Cash and cash equivalents - beginning of year	<u>96,813</u>	<u>97,449</u>
Cash and cash equivalents - end of year	<u><u>100,269</u></u>	<u><u>96,813</u></u>
Supplemental Information:		
Cash payments for interest	<u>\$ 422</u>	<u>\$ 364</u>

The accompanying notes are an integral part of these financial statements.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies

Nature of Business

The Iberia Industrial Development Foundation (the "Foundation") is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of promoting industrial and economic development for the Parish of Iberia. The Foundation derives most of its revenue and support through a hotel/motel tax, membership dues, contributions, and grants.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

The Foundation records the hotel/motel taxes collected on its behalf by the parish government for the calendar year but not yet received by the Foundation at year end as accounts receivable. Given the nature these transactions, amounts are deemed collectible and management does not believe an allowance is necessary at December 31, 2013 or 2012.

Property and Equipment

Property and equipment are recorded at cost. Donated assets are recorded at the estimated fair value at date of donation. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives are as follows:

	<u>Years</u>
Building	25
Building Improvements	3-25
Furniture and Equipment	3-10

Maintenance and repairs are expensed as incurred. Costs which significantly increase asset values or extend useful lives are capitalized.

Contributions and restrictions

The Foundation reports information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, or permanently restricted when received depending on the existence and nature of donor restrictions. When restrictions are satisfied, revenues are reclassified and reported as net assets released from restrictions.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Significant Accounting Policies (continued)

Contributions and restrictions (continued)

Grants for fee income are recorded as unrestricted net assets in the Statement of Activities. All grantor-restricted support is reported as an increase in temporarily restricted net assets in the Statement of Activities.

Hotel/motel tax revenue

Ordinance 87-08-552 of Iberia Parish Council, passed on September 9, 1987, called for the imposition of a 2% hotel/motel tax in Iberia Parish for the benefit of the Foundation. Under an agreement with the same, Iberia Parish Government acts as collecting agent for the tax withholding a 2% fee for administrative purposes.

Membership Dues

Membership dues are recognized as revenues on the calendar year basis. Membership is completely voluntary and dues are decided by the member-elected board of directors.

Advertising

Advertising costs are expensed as incurred. Total advertising expense was \$2,502 and \$12,152 for the years ended December 31, 2013 and 2012, respectively. The Foundation recognized \$1,500 and \$2,850, respectively, of revenue and expense from advertising barter transactions (see Note 6).

Federal Income Taxes and Uncertain Tax Positions

The Foundation is an exempt organization for federal income tax purposes under Section 501(c) (6) of the Internal Revenue Code. However, certain rental activities of the Foundation are not exempt from income tax as further discussed in Note 4.

Management has determined that the Foundation does not have any uncertain tax positions or associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Foundation's tax returns will not be challenged by the taxing authorities and that the Foundation will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Foundation's tax returns remain open for three years for federal and state income tax examination which is 2010 and after.

2. Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist primarily of cash and investments. At December 31, 2013 and 2012, these balances were covered by FDIC insurance. Temporary investments (money markets) of \$72,998 and \$72,991 at December 31, 2013 and 2012, respectively, consisted of short-term investments placed with brokerage firms.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Concentrations of Credit Risk (continued)

While not insured by FDIC, protections are afforded for these amounts through the Securities Investor Protection Corporation (SPIC) and the Customer Asset Protection Company (CAPCO).

3. Note Payable and Line of Credit

The Foundation had a note payable to a bank totaling \$3,950 at December 31, 2012. The note was payable in monthly installments of \$437 and was secured by land and building. Interest accrued at 4.875%. The note matured on November 3, 2013.

The Foundation has an unsecured line of credit of \$25,000 which expires on April 29, 2015. Interest is payable monthly at a rate of 3% of the total outstanding balance. The balance on the line of credit at December 31, 2013 and 2012 was zero.

4. Income Taxes on Unrelated Business Income

In 2013, the Foundation had unrelated business income as a result of its rental of debt-financed property. After applying expenses directly connected with or allocable to the debt-financed property, the Foundation did not have any taxable income at December 31, 2013 or 2012.

5. Contributions

Included in support is contributions from local governmental bodies as follows:

	<u>2013</u>	<u>2012</u>
City of New Iberia	\$ 5,000	\$ 5,000
Iberia Parish Government	2,500	-
Port of Iberia	15,000	15,000
Iberia Parish School Board	-	5,000
Iberia Parish Airport Authority	<u>5,000</u>	<u>-</u>
	<u>\$ 27,500</u>	<u>\$ 25,000</u>

6. In-Kind Contributions

The Foundation accepts in-kind contributions in exchange for membership dues. The fair value of contributions received in-kind for membership dues amounted to \$1,500 and \$2,850 for the years ended December 31, 2013 and 2012, respectively.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. Net Assets Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by the donors for the following programs:

	<u>2013</u>	<u>2012</u>
Acadiana Gulf Oil Spill Recovery Plan	\$ 23,718	\$ -
Louisiana Direct Seafood Academy	-	144,570
Workforce Development - Energy	-	20,722
Community Brand Project	-	4,800
	<u>\$ 23,718</u>	<u>\$ 170,092</u>

8. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2013 were \$1,282 available for the Acadiana Gulf Oil Spill Recovery Plan.

9. Concentration of Revenues

The Foundation's major source of revenue is a 2% hotel/motel tax within the boundaries of Iberia Parish. This tax accounted for approximately 73% and 52% of total revenues for the years ended December 31, 2013 and 2012, respectively.

10. Related Party Transactions

Members of the Foundation's board also sit on the board of the Iberia Economic Development Authority (IEDA). However, the related board members do not make up a majority of the IEDA board and thus, IEDA is not required to be consolidated with the Foundation for financial statement reporting purposes. However, during 2013 there were transactions between IEDA and the Foundation. Total revenues the Foundation received from IEDA in 2013 total \$32,500 and were comprised of the following:

- A one-time contribution of \$10,000 related to a professional property development project.
- The Foundation entered into a memorandum of understanding with IEDA in May 2013 to administer an oil spill recovery grant. A total of \$15,000 was received during the year ended December 31, 2013.
- The Foundation entered into a memorandum of understanding with IEDA in October 2013 whereby the Foundation receives a monthly supply and service fee of \$2,500. During the fiscal year ended December 31, 2013, the Foundation received a total of \$7,500 from IEDA related to these fees.

The Foundation also incurred \$4,738 in expenses during 2013 on behalf of IEDA that were subsequently reimbursed by IEDA to the Foundation during the year.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Related Party Transactions (continued)

Members of the Foundation's board also sit on the board of the Iberia Development Foundation. In 2013, the Foundation incurred \$10,119 in expenses on behalf of the Iberia Development Foundation. These expenses were reimbursed by Iberia Development Foundation to the Foundation during 2013.

For the year ended December 31, 2012, no transactions with the related parties noted above.

11. Subsequent Events

The Foundation evaluated the need for disclosures and/or adjustments resulting from subsequent events through June 9, 2014, the date the financial statements were available to be issued. This evaluation did not result in any subsequent events that necessitated disclosures and/or adjustments under generally accepted accounting principles.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Iberia Industrial Development Foundation
New Iberia, Louisiana

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statement of financial position and the related statements of activities and changes in net assets and cash flows of the Iberia Industrial Development Foundation as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Iberia Industrial Development Foundation's basic financial statements, and have issued our report thereon dated June 9, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Iberia Industrial Development Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Iberia Industrial Development Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Iberia Industrial Development Foundation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Foundation's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness (2013-1).

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberia Industrial Development Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Entity's Response to Findings

The Iberia Industrial Development Foundation's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The Foundation's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Foundation internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Lafayette, Louisiana

June 9, 2014

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2013

FINDINGS – FINANCIAL STATEMENT AUDIT

2013-1 Segregation of Duties

<u>Criteria:</u>	Internal control over financial reporting should include policies and procedures that ensure that controls over the accounting function are segregated to serve as a check and balance.
<u>Cause:</u>	During our audit we noted that a single individual reconciles bank accounts, performs all payroll duties, and maintains the general ledger.
<u>Condition:</u>	Due to the limited number of people working for the Foundation, many of the critical duties are combined and assigned to two employees. Presently, a single individual performs the majority of the accounting functions.
<u>Effect:</u>	The lack of segregation of duties in the accounting function constitutes a material weakness in their internal control over financial reporting. This is a repeat finding from the prior year.
<u>Recommendation:</u>	Keeping in mind the limited number of employees to which duties can be assigned, the Foundation should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible.

View of Responsible Official and Planned Corrective Action:

Management has provided as much segregation of duties as possible with the resources available.

IBERIA INDUSTRIAL DEVELOPMENT FOUNDATION
NEW IBERIA, LOUISIANA

SUMMARY OF PRIOR YEAR AUDIT FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2012

FINDINGS – FINANCIAL STATEMENT AUDIT

2012-1 Segregation of Duties

<u>Criteria:</u>	Internal control over financial reporting should include policies and procedures that ensure that controls over the accounting function are segregated to serve as a check and balance.
<u>Cause:</u>	During our audit we noted that a single individual reconciles bank accounts, performs all payroll duties, and maintains the general ledger.
<u>Condition:</u>	Due to the limited number of people working for the Foundation, many of the critical duties are combined and assigned to two employees. Presently, a single individual performs the majority of the accounting functions.
<u>Effect:</u>	The lack of segregation of duties in the accounting function constitutes a material weakness in their internal control over financial reporting.
<u>Recommendation:</u>	Keeping in mind the limited number of employees to which duties can be assigned, the Foundation should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible.

View of Responsible Official and Planned Corrective Action:

Management has provided as much segregation of duties as possible with the resources available.

Current Status: Not resolved. See finding 2013-1.